



USNS Choctaw County

Naval Medical Logistics Command

Special Report:

**Collaborative Effort Explores New
Expeditionary Medical Capability**

Naval Medical Logistics Command Website

Home (Public)	Welcome to the Naval Medical Logistics Command		      
Home (MIL/GOVT)	 CAPT Seymour, CO	Welcome Aboard the Naval Medical Logistics Command "Public Website." If you are Military or Government (CAC enabled) you may click on the MIL/GOV Access tab on the menu bar. To learn more about the command and our mission, I invite you to extensively explore our newly designed website and to check back for updates. If you are a civilian contractor wishing to do business with Navy Medicine, click the "Doing Business With Us" panel just to the right of this message. As always, we solicit your input and value your suggestions for improvement. Again, thank you for visiting and we hope you leave with a fuller understanding of the mission of the Naval Medical Logistics Command.	
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Your Resource to All Things Naval Medical Logistics Command

Naval Medical Logistics Command's mission: *We deliver patient-centered logistics solutions for military medicine.* Naval Medical Logistics Command's vision: *To become DoD's premier medical logistics support activity.* You can find all the timely information you need through the Naval Medical Logistics Command (NMLC) website.



USNS Choctaw County (JHSV 2) is a Joint High Speed Vessel able to transport U.S. Army and U.S. Marine Corps company-sized units with their vehicles, or reconfigurable to become a troop transport for an infantry battalion. It has a flight deck for helicopters and a load ramp that will allow vehicles to quickly drive on and off the ship. The ramp is suitable for the types of austere piers and quay walls common in developing countries. USNS Choctaw County has a shallow draft (under 15 feet) and has an aluminum twin-hull catamaran shell containing four diesel engines, rudimentary control facilities for up to 40 crewmembers, and 312 airline-style passenger seats, along with an expansive flight deck on the top. The rest of the vessel is an empty 20,000 sq. ft. mission bay that can be loaded to carry whatever cargo is needed. Vehicles and cargo are loaded and unloaded by a ramp that can support up to 100 tons of weight. Although designed for a military crew of 46, the ship usually has a crew of 26 mariners. The passenger room contains reclining seats with overhead televisions and racks for weapons and equipment. It has 104 permanent berthing spaces. Without resupply, it can support 312 embarked personnel for four days or 104 personnel for 14 days.

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From the Commanding Officer



Capt. Mary S. Seymour, NMLC CO

During my trip to San Diego this month, I had the opportunity to examine the two-bin Kanban systems currently in place at two of our Military Treatment Facilities, Naval Medical Center San Diego and Naval Hospital Camp Pendleton. I was able to see first-hand the systems' applicability to inventory management and hear from our deck-plate leaders what is working well and what could be improved.

In this issue of Logistically Speaking, we feature an article discussing Kanban. Kanban is a tool that enables us to improve the supply chain process. It is important for all of us to understand how the system works

and embrace this change as we move toward standardized logistics processes.

We also take a look at the USNS Choctaw County (JHSV 2), a Joint High Speed Vessel that transports U.S. Army and Marine Corps personnel and their vehicles. Our special report discusses the Chief of Naval Operations' direction for the future of naval forces and the optimized fleet response plan established to execute this new approach to meet our forces' high demands.

We feature an article on Naval Medical Logistics Command's partnership and support Memorandum of Agreement with the Air Force Medical Operations Agency for the provisions of medical equipment contracting support. This agreement will allow us to maximize strategic sourcing opportunities for medical equipment purchasing.

Changing direction a bit, throughout the year, Federal employees might seek outside employment during off-duty hours. Did you know there are regulations governing those who file financial disclosure reports and that they must obtain pre-approval before accepting outside employment? If not, read the article our legal counsel contributed for this issue.

In the same vein, Naval Medical Logistics Command has a robust Small Business Program office that contributes news and information to each issue of Logistically Speaking. This issue discusses the Small Business Professionals throughout Navy Medicine and introduces our readers to the latest hire by Navy Medicine East, Juliann Krogh.

Finally, the Defense Logistics Agency's Electronic Catalog has made a difference in how orthopedic items are ordered. It has also proven successful in tremendous cost savings during the past two quarters. DLA Troop Support contributed an article that takes an inside look at this phenomenal support system.

This issue of Logistically Speaking has a number of informative articles. Please indulge yourself. As always, we continue to seek your feedback and suggestions on articles you have seen and on the articles you would like to see. Feel free to communicate directly with our public affairs office.

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Articles should be submitted to:

The Public Affairs Officer

From the Command Master Chief

The Commanding Officer implemented another way to recognize the contributions of our personnel who go above and beyond their normal scope of work here at Naval Medical Logistics Command. Why do we recognize our people for their hard work and efforts? Why is that so important in our workplace?

Kudos, Atta Boys, Letters of Appreciation, On-the-Spot awards and the All-In awards are some of the ways we recognize personnel for their contributions and hard work. I find that our staff remains motivated when they or their peers are recognized for those actions which are linked to the values and

mission of our organization.

Recognition can be described as an important benchmark with the staff. It acknowledges their value to the organization and instills a sense of pride and purpose. Recognition builds morale and a sense of commitment that employees display on a daily basis. Recognition solidifies the fact that the command truly appreciates their work and dedication to our mission.

Our efforts in recognizing our personnel prove that we care about the well-being and professional success of our entire workforce. It creates a solid foundation ensuring future success and investing in the human factor of managing people.



HMCM(FMF) David L. Hall, NMLC CMC



Cassandra Mahlstedt receives a Letter of Appreciation from Capt. Seymour.



Hospital Corpsman 2nd Class RaShawn Lynch receives a Letter of Appreciation.



Hospital Corpsman 2nd Class Cheung Chung receives a Letter of Appreciation from NMLC's Commanding Officer, Capt. Mary Seymour during the All-Hands quarters in Nov. 2014.



Capt. Mary Seymour recognizes Leonard Morrissey at command quarters for his outstanding work ethic.

Naval Medical Logistics Command Special Report: Collaborative Effort Explores New Expeditionary Medical Capability

By William 'Bill' Hartmann, Expeditionary Medical Logistics Program Manager

The Chief of Naval Operations provided direction for the future of Naval Forces – including Navy Medicine – when he stated, “We need lower cost approaches,” and “we need to tailor the ship more to the mission.” (America’s Navy Art: NNS140407-17).

In support of that direction, the Optimized Fleet Response Plan (OPNAVINST 3000.15A) in part, established the responsibilities for the execution of this new approach to meet the high demand for naval forces, from individual units to strike groups – all requiring a more agile and flexible force to respond to Combatant Commanders’ requests.



U.S. Navy’s Military Sealift Command, USNS Choctaw County (JHSV 2) has a core crew of 26 civilian mariners to operate and navigate the ship.

Navy Medicine interpreted this guidance to mean that the adaptive

force packages being designed for medical capabilities will need to be modular, task organized, adaptable, responsive, clinically effective, scalable and flexible in order to meet the full range of military operations.

Recently, a collaborative effort between OPNAV, United States Fleet Forces Command, Military Sealift Command Atlantic, Naval Warfare Development Command, the U.S. Navy Bureau of Surgery and Medicine’s Capability, Development and Integration Office, the Expeditionary Medical Logistics Program and the Navy Expeditionary Medical Support Command (NEMSCOM), began exploring future deployable medical capabilities.

The most recent event was initiated as a preamble to demonstrating expeditionary capabilities of a small foot print nature, one that is easily



Virginia Beach, Va., (Oct. 8, 2014) Sailors and Marines return home from Southern Partnership Station 2014 onboard joint high-speed vessel USNS Choctaw County (JHSV 2) at Joint Expeditionary Base Little Creek-Fort Story, Virginia Beach. U.S. Navy photo by Mass Communications Specialist 2nd Class Jared Aldape.

LOGISTICALLY *speaking*



Personnel from Navy Expeditionary Medical Support Command prepare and wire the inside of the EMU facility at the Navy Expeditionary Medical Support Command in Williamsburg, Va., Nov. 13, 2014.

transported and able to be deployed and employed anywhere around the globe. This initial study, or the phase one portion, is evaluating existing capabilities within expeditionary medicine in an effort to determine a way ahead for supporting afloat missions by adapting to diverse fleet platforms.

Addressing the challenging engineering and logistics portion of the study, on Nov. 13, 2014, at the Navy Expeditionary Medical Support Command in Williamsburg, Va., individuals from within and outside Navy Medicine had the opportunity to tour

an Expeditionary Medical Unit (EMU), currently the smallest capability in the Expeditionary Medical Logistics Program. NEMSCOM subject matter experts provided invaluable insight on the capability of this medical asset allowing numerous stakeholders to become familiar with the unique requirements experienced when delivering healthcare to operational forces either ashore or afloat.

In December, the Joint High Speed Vessel USNS Choctaw County (JHSV 2) docked pier-side at Cheatham Annex, Williamsburg, Va., to support the next step in the process

by providing an operational afloat asset for the EMU to be loaded aboard. In addition to the staging of the Medical capability for transport, the EMU was actually “set up” onboard to study the feasibility of conducting medical missions aboard this type of platform.

These ongoing actions are the initial steps in furthering the research and design of multiple capabilities to meet the future development of medical capabilities on all platforms within the fleet. **LS**



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Naval Medical Logistics Command Partners with AFMOA

By James E. Watkins, Supervisor Contract Specialist, Acquisition Management and Analytics Directorate

On May 23, 2014, Naval Medical Logistics Command (NMLC) signed a support agreement/Memorandum of Agreement with the Air Force Medical Operations Agency (AFMOA) for the provision of medical equipment contracting support for a period of five years. Beyond executing individual medical equipment procurements for the Air Force and the Navy, the ultimate goal of the partnership is to identify, facilitate and maximize strategic sourcing opportunities of medical equipment purchasing between the two organizations.

Leading up to the partnership, participants from NMLC's Medical Equipment & Logistics Solutions Directorate and the Acquisition Man-

agement & Analytics Directorate engaged the AFMOA leadership and formed a working group called the Equipment Procurement Action Group. They met on a weekly/biweekly basis to identify and discuss the processes by which forecasted/forthcoming Air Force requirements would be submitted to NMLC for execution. They also discussed how forecasted/forthcoming requirements originating from both the Navy and the Air Force could be identified, screened and aggregated to maximize efficiency.

Still in its infancy, this partnership has yielded five new contract actions in support of Air Force hospitals alone, with approximately 300 others currently in process. More important-

ly, the partnership has already demonstrated its potential through the award of a joint, enterprise-wide indefinite delivery, indefinite quantity contract for anti-gravity treadmills, encapsulating the needs of both the Air Force Medical Service as well as Navy Medicine. In addition, a number of other opportunities have already been identified for FY15 execution, with requirements documents in the works. These include Dose Monitoring, Dental and Prosthodontics Computer-Aided Design and Computer-Aided Manufacturing (CAD/CAM) Systems, Anesthesia Machines and a host of medical equipment maintenance possibilities. **LS**

Part-time Employment During Off-Duty Hours

NMLC Office of General Counsel

At the outset of 2014, a new regulation required government employees who file financial disclosure reports (OGE 450s) to obtain pre-approval for all outside employment - 5 C.F.R. § 3601.107. Local instructions may provide additional requirements. With the economy constantly changing, some employees may be tempted to take a temporary job. In most cases, this will pose no issues beyond submitting a request.

Generally, government employees may work an outside job provided: (1) the outside job does not interfere with their official duties; (2) in the outside job they make no representations to the federal government; and (3) the outside job creates no appearance of impropriety. In plain terms, you cannot work another job that creates or

appears to create a conflict of interest with your duties as a government employee.

Compliance is the key. The recent publicity involving the NSA suggests this. (<http://www.reuters.com/article/2014/10/17/us-usa-intelligence-nsa-idUSKCN0I624Y20141017>)

In that matter, the former NSA director, Keith Alexander, launched a cybersecurity company that hired NSA's Chief Technical Officer, Patrick Dowd. Mr. Dowd's supervisors at NSA approved of the arrangement, presumably with input from their ethics counselor. All reports conclude that the arrangement does not appear to break any laws, which hinges on compliance. With that said, a Monday-morning-quarterback (i.e., second-guess)



would question why a supervisor and ethics counselor would approve of such an arrangement given the appearance concerns. The current tenor regarding the matter focuses on suspect judgment of supervisors rather than the employee, which serves as a reminder to supervisors and management that technical compliance is not necessarily the best approach for resolving matters.

Lastly, if you choose to engage in outside employment as a financial disclosure filer, remember to disclose this information on your OGE 450 or 278.

Feel free to contact your local ethics counselor if you have any questions in advance of taking any outside employment. **LS**



SMALL BUSINESS PROGRAMS



WELCOME TO BIZ BUZZ!

Biz Buzz is where you will find what's happening with NMLC's Small Business Program Office, as well as general small business information and news you can use.

What's the BUZZ?

What's the Buzz? Collaboration, Teamwork, and Partnering! Navy Medicine is very fortunate to have highly qualified and dedicated Small Business Professionals (SBPs) who do their part to support Navy's small business program. Just prior to the end of FY14, Navy Medicine East (NME) hired a full-time SBP, Juliann Krogh, to complement Navy Medicine West (NMW)'s SBP, Sylvia Nard. Krogh and Nard collaborate with NMLC's SBP, Mimi McReal, to ensure that maximum practicable opportunity is considered for Navy Medicine's acquisitions. With NMLC serving as BUMED's Lead Contracting Executive (LCE), a perfect partnership between NMLC's SBP and Navy Medicine Regions' SBPs can flourish. There are opportunities where we can share training materials, assist with research of small business policy and issues, develop realistic and achievable annual small business goals, and provide overall support to one another to sustain a successful small business program for Navy Medicine acquisitions.

In September 2014, Ms. Krogh spent some time at NMLC to learn more about the small business pro-

gram there and get a basis for implementing a small business program at NME. That visit provided a detailed look at how NMLC's small business program is organized, as well as an opportunity for some face-to-face training. Also during this time, the Small Business Director at Naval Supply Systems Command (NAVSUP), Ms. Carol Decker, visited NMLC. Ms. Decker, along with NMLC's and NME's SBP held a teleconference with NMW's SBP to discuss updates to the small business program and related policies, conducted training and shared best practices to optimize Navy's small business program.

One significant change affects the manner in which an SBP reviews acquisitions for suitability for potential award to small businesses. Previously, the process required the contract specialist to generate a DD Form 2579 (Small Business Coordination Record) via the Standard Procurement System (SPS) or via Procurement Desktop-Defense (PD2). The SBP would access SPS/PD2 and retrieve the DD Form 2579, review it, approve it, then send it back to the contract specialist, where he/she would continue the acquisition process. The Department of Defense (DoD) Office of Small Busi-

ness Programs had long been planning to upgrade the DD Form 2579, making it more user-friendly for input of information, as well as developing a form that could be used as a tool for data collection, analysis, and forecasting purposes. In the meantime, NAVSUP developed its own revised DD Form 2579, intended to pilot and test it among several NAVSUP contracting offices. This web-based application became the Online Small Business Review Tool. Following several months of testing, identifying and correcting bugs, NAVSUP required that all field contracting offices use the Online Small Business Review Tool in FY15. NMLC, NME and NMW are now using the web-based 2579 exclusively (no longer using SPS or PD2 to process DD Form 2579s) and at the end of FY15, should be able to get a full fiscal year's worth of small business data for analysis and forecasting purposes.

The projection of annual small business goals is also something important for SBPs. The Small Business Administration (SBA) has a statutory small business goal of 23% meaning that 23% of all contracts awarded by Federal agencies shall go to small businesses. Each Federal agency has their own individual

LOGISTICALLY *speaking*



NMLC's SBP, Mimi McReal (left), and NME's SBP, Juliann Krogh (right), met in September 2014 to discuss how to maximize Navy Medicine's small business program, which in turn maximizes success for DoN's small business program.

goal. The Department of Defense (DoD) requires goals by each of the Services' offices of small business programs, who then require goals of their major contracting commands. NAVSUP requires all of their field contracting offices (to include NMLC, NME, and NMW) to provide target goals at the beginning of each fiscal year. Goals are established to measure contracts awarded to small businesses (overall), throughout the FY, as well as contracts awarded to socio-economic categories (e.g., small disadvantaged businesses, woman-owned small businesses, service-disabled veteran-owned small businesses, or HubZone small businesses). For FY14, NME projected an overall goal of 35% and NMW

projected an overall goal of 36%. NME attained 40% and NMW attained 38%, of contracts awarded to small businesses at the end of FY14.

Additionally, during the teleconference with NMW's SBP, the method to track small business performance throughout the year was discussed. Using the standard reporting feature of the Federal Procurement Data Systems-Next Generation (FPDS-NG), the SBPs track the percentages of contract awards to small businesses and their socio-economic categories. If the data shows that contract awards are falling short of goals, the SBPs can focus efforts to attain the desired goals. NMLC serves as the lead in working with

NME and NMW SBPs to coordinate and report small business performance information to NAVSUP throughout the FY.

Understanding the nature of medical acquisitions is important for managing our small business program. Medical products and services buys often have unique requirements or specifications which sometimes make it a challenge to find capable small businesses. Working together, the SBPs can maximize outreach efforts and share research results to identify new sources to mitigate those challenges.

With each other as excellent resources with several combined years of experience, teamwork and collaboration go far. Each SBP has something valuable to offer and we leverage this collective knowledge and expertise to further promote the success of the Navy's small business program in support of Navy Medicine acquisitions. **LS**

Information for this article was obtained in part from the SBA website (www.sba.gov). For any questions on this article or if you have any suggestions for future articles, please contact NMLC's SBP, Mimi McReal, at Mimi.McReal@med.navy.mil.

Kanban - A Lean Six Sigma Approach to Inventory Management

By Alicia Nolden, Industrial Engineer, Program Analysis & Evaluation (M81) Bureau of Medicine and Surgery

As the delivery of healthcare becomes more complex, the need to manage all of the steps of the supply chain process efficiently becomes more important. With the recent integration of the National Naval Medical Center (NNMC) and Walter Reed Army Medical Center (WRAMC) into the Walter Reed National Military Medical Center (WRNMMC), the challenge arose to determine how best to combine the supply distribution and replenishment requirements of the two major medical facilities. After reviewing 'point-of-use' replenishment methods through process improvement projects at other Navy Medical Treatment Facilities (MTFs), the answer became clear that standardizing the supply chain process in order to achieve economies of scale and maximize ordering efficiencies was necessary across the Navy Medicine Enterprise.

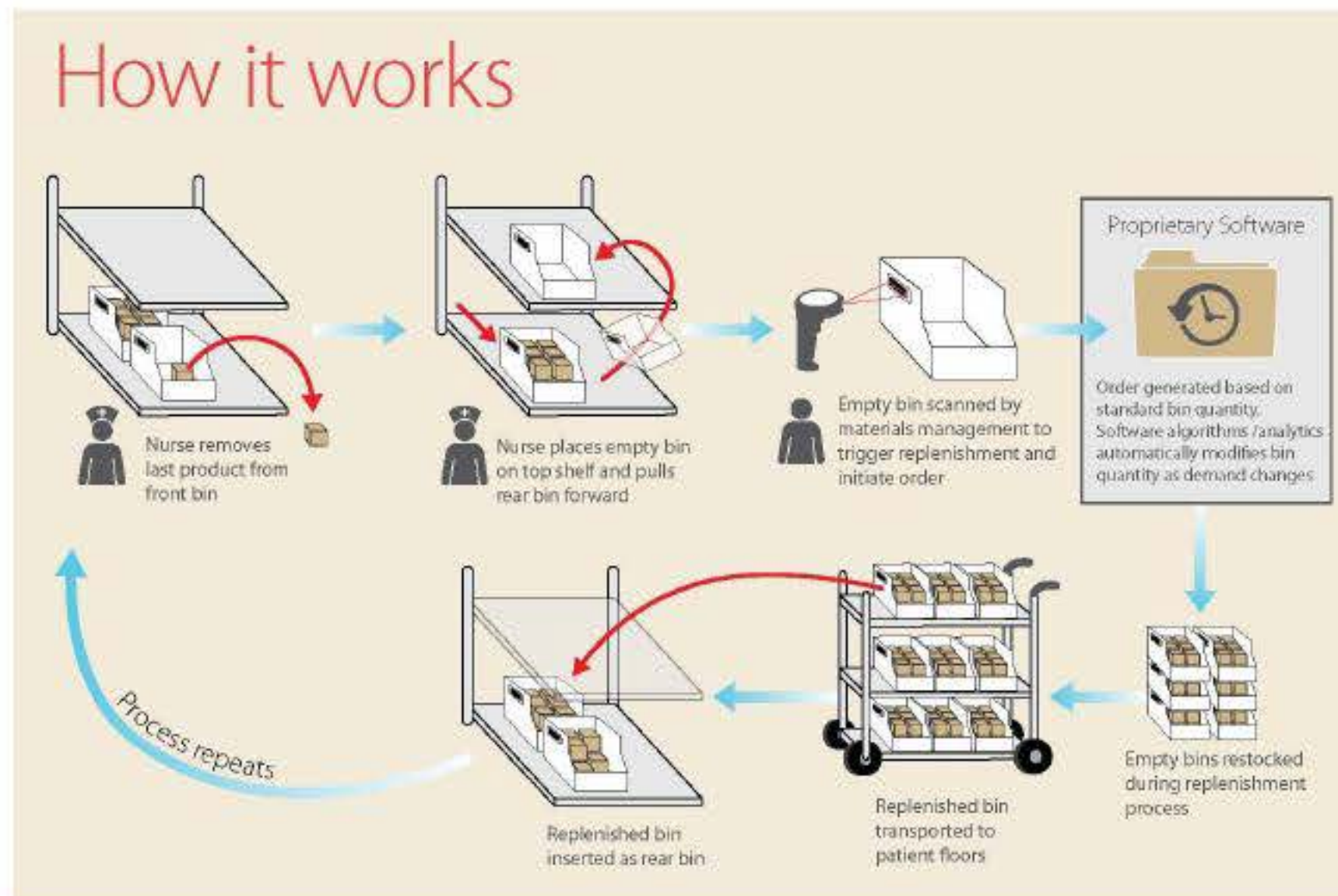
Looking past facility size and operational constraints, there is a common theme—an opportunity to streamline the way we handle distribution and replenishment tasks at the warehouse and operational processes at the departmental level. Based on best practices of supply chain processes in other industries, including private-sector healthcare, Lean Six Sigma methodologies have been recognized as highly beneficial in re-

ducing variation and waste in the process. The Kanban two-bin delivery system was Navy Medicine's solution to utilize these best practices to provide a turnkey inventory management process for Medical Treatment Facilities.

Kanban is a Japanese term meaning "signboard," and it is a visual trigger to signify that work has to be done. In the case of inventory management, the Kanban is used to facilitate the replenishment process by using a two-bin system to make it easy for staff to see that a product needs to be re-ordered. In each supply room, a pre-determined quantity, or PAR level, of each product is placed in two different bins. The PAR level is determined by product usage, seasonal fluctuations, lead time and replenishment schedules. Supplies are pulled from the first bin until empty; the empty bin

becomes the visual cue to re-order. An order is then placed for exactly the quantity consumed which, in this case, is the PAR level of the bin. The second bin is moved to the front and end-users continue to pull supplies from the second bin until the order arrives and supplies are replenished.

There are many benefits to the Kanban system besides organizing inventory and eliminating lost or misplaced items in the supply room. By setting predetermined PAR levels for each bin, it *eliminates* the need to do physical counts and recordings each time inventory is handled. In addition, clinical time spent in the supply room is *reduced*, providing staff more time to conduct patient care. This system also *reduces* the possibility of stock-outs, because the usage of the second bin signals for a re-stock. The Kanban system



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This set of shelves were used before a Kanban system was installed at a facility.

encourages the First-In-First-Out concept through the rotation of stock. Without a specific system or business process, items that sit in the back of the shelf or bottom of a bin may keep getting pushed back to make room new supplies. The use of two bins and set PAR levels allow users to more efficiently cycle through stock using the rotation of bins as supplies are used and replenished. Finally, the Kanban system *enhances* the reporting and monitoring capability by providing visibility to all products and actual consumption levels promoting a standardized best practice across the enterprise.

The Kanban system has already been implemented in four Medical Treatment Facilities: WRNMMC, Naval Hospital Camp Pendleton, Naval Hospital Camp Lejeune and Naval Medical Center San Diego. The Naval Medical Logistics Command awarded an Indefinite Delivery Indefinite Quantity (IDIQ) contract for the shelving as an enterprise-wide solution and issued delivery orders for 10 additional facilities at the end of FY14. The

project is supported by process improvement contracts and consists of three phases of effort at each facility: Diagnostic, Implementation, and Sustainment. The diagnostic phase will consist of data collection and analysis, clinical and support staff interviews, and documenting any opera-

tional challenges with ordering and replenishment of supplies. The implementation phase will consist of installation of the shelving, training to ensure system understanding, and a return on investment analysis. Finally, the sustainment phase will ensure the staff is properly trained, metrics are in good shape, and challenges and changes that may need action are identified. The two-bin Kanban system was showcased at the Audit Readiness Training Symposium held from July 15-17, 2014 in Falls Church, Va. The logistics and comptroller communities had an opportunity to see a demo of how the Kanban system functions.

Kanban has been touted as the wave of the future in supply chain management.

"The Kanban system will eliminate inefficiencies in the supply chain process by reducing waste and leveraging technology to automate the process," one executive stated.

With the assistance and feedback from clinical staff and material management, the Kanban sys-

tem will help Navy Medicine continue to evolve as a preeminent healthcare system by adhering to our fundamental responsibilities: accountability, quality of care and safety within supply chain operations. If you have questions or would like more information about these efforts, feel free to contact Lt. Cmdr. Janine Espinal M4-Installation & Logistics janine.espinal@med.navy.mil. **LS**



In the case of inventory management, the Kanban is used to facilitate the replenishment process by using a two bin system to make it easy for staff to see that a product needs to be re-ordered. In each supply room, a pre-determined quantity, or PAR level, of each product is placed in two different bins.

2015-2016 Seasonal Influenza Vaccine Data Call

The Vaccine Information and Logistics System (VIALS) is a web-based application developed to assist the Navy in collecting and processing requirements for the Seasonal Influenza Vaccine Program. Developed by Naval Medical Logistics Command (NMLC), this system is user-friendly and Common Access Card (CAC) enabled. Navy Leadership considers the Seasonal Influenza Vaccine Campaign vital to mission readiness and operational effectiveness. Furthermore, it has a direct reflection of each activity's preparedness for any pandemic vaccine response.



VIALS is accessed through the NMLC Web site, https://gov_only.nmlc.med.navy.mil/int_code03/vials/, and provides secure access to all personnel involved in the assembly, reporting and distribution of Seasonal Influenza Vaccine requirements. VIALS provides real-time data related to allocation, requisition and shipment status.

VIALS is scheduled to accept 2015-2016 Seasonal Influenza Vaccine requirements from 2 - 27 February 2015.

For the 2015-2016 season, please pay particular attention to the following:

- a. No new or additional vaccine requirements will be accepted after 27 Feb 15.
- b. To alter requirements that have been submitted in VIALS, the requestor must contact NAVMEDLOGCOM via VIALS Help (NMLC-VialsHelp@med.navy.mil). This is the only way changes can be made to their submission. The deadline for changes is 27 Feb 15.
- c. Age categories may be combined during the contracting process.
- d. Submitting commands are responsible for validating population data and influenza prod-

Influenza Vaccine Program

1 for Requirements

ucts in order to accurately generate requirements for their catchment area or area of responsibility/command.

e. Navy Reserve Component Commands are required to submit vaccine requirements. For the 2015-2016 season, these commands may only order VIALS alpha products B (2-49 yr. prefilled nasal sprayer, Thimerosal free), C (36 mo. inj., PFS, Thimerosal free), and D (36 mo. inj., MDV).

f. Marine Reserve Component Commands are required to submit vaccine requirements. For the 2015-2016 season, these commands may only order VIALS alpha products B (2-49 yr. prefilled nasal sprayer, Thimerosal free), E (9 yr. and older inj., PFS, Thimerosal free), and F (9yr. and older inj., MDV).

g. VIALS requires activities to specify whether or not each site has the required cold chain capability. Please read VIALS Home Page for more information.

h. Afloat units are required to split their requirements equally between at least two different injectable products to reduce delays should a vendor be unable to provide product within given timetable. Half of the units should order one product while the other half should order another product. For the 2015-2016 season Afloat units may only order VIALS alpha products D (36 mo. inj., 5 mL, MDV) and F (9 yr & older inj., 5 mL, MDV).

i. Activities should check State Law regarding use of vaccines with Thimerosal before ordering.

j. Activities should order vaccine based on the anticipated location of units deploying between July and September 2015.

k. MTF's must order adequate influenza virus vaccine quantities to support unvaccinated students of training commands.

The point of contact for the Navy Seasonal Influenza Vaccine Program is Mrs. Louise McLucas, sarah.mclucas@med.navy.mil.

More Orthopedic Items Added to DLA's Medical E-catalog at Reduced Cost

By Michael Tuttle, DLA Troop Support Public Affairs

More than 6,000 additional orthopedic items are now available for military medical customers at a discounted price through Defense Logistics Agency (DLA) Troop Support's e-commerce system.

Customers will save an average of at least 28 percent on most of the new orthopedic items through a five-year contract with Arthrex, Inc., said Ruth Herman, hospital supply division chief for DLA Troop Support's Medical supply chain.

Customers have access to more than 650,000 items through the web-based DLA Medical Electronic Catalog (ECAT), an ordering, payment and distribution system that provides access to commercial products at discounted prices.

The Arthrex items are in addition to the orthopedic products already available on ECAT through Zimmer, Inc., and Stryker, Inc. DLA's contract with Arthrex is worth a maximum of \$255 million.

These savings are consistent with DLA's commitment to save at least \$13.1 billion by the end of fiscal year 2019, in anticipation of an expected decrease in the Department of Defense's budget in upcoming years.



A physical therapist with the 59th Orthopedic and Rehabilitation Squadron teaches a patient some home exercises that he can perform on his own at the Craig Joint-Theater Hospital. Defense Logistics Agency Troop Support's e-commerce customers will save an average of at least 28 percent on most of the new orthopedic items' previously listed price through a five-year contract with Arthrex, Inc. Photo by Army Sgt. Cody Barber, 11th Public Affairs Detachment, Kosovo Force.

That commitment began in 2012 and DLA exceeded its fiscal year 2013 goal with savings of \$2.9 billion.

The savings on orthopedic items also align with one of DLA's strategic goals leading to a decrease in the cost of materials: "Be Smart Buyers of the Right Stuff."

Contracting officers from DLA and the Defense Health Agency (DHA) partnered on the new contract

to ensure DHA had timely access to the orthopedic items they required to support their clinical needs. The DHA was established to make the military health system more efficient by consolidating health care and support services among the military branches.

"In the developing relationship between DLA and DHA, providing quality medical service and support at



More than 6,000 additional orthopedic items are now available for military medical customers at a discounted price through Defense Logistics Agency Troop Support's e-commerce system.

reduced costs has transitioned from a theoretical concept to reality at blinding speed," said Don Buchwald, director of customer operations for DLA Troop Support Medical.

"This new orthopedic contract [with Arthrex, Inc.] is an important milestone as DLA and DHA expand the use of e-commerce to simplify and facilitate the process of acquiring medical material at lower costs," said Herman. "As DHA's logistics enabler, DLA Troop Support works constantly to improve the acquisition process and empower DHA's clinicians to focus on their primary mission providing care to the warfighter and other beneficiaries."

Making more items available through ECAT aligns with another

DLA strategic goal: "Delight the Customer." Customers seem to be responding as the purchasing of orthopedic implants has more than doubled from the first quarter of fiscal year 2014 to the second quarter; from \$2,067,225 to \$4,830,942, according to the Military Health System.

The ECAT automates much of the procurement process, combining convenience with volume price discounts for pharmaceuticals, laboratory equipment, dental devices and optical fabrication, in addition to commercial surgical items like orthopedic im-

plants.

It enables customers to obligate their funds, select the items required for a particular surgery and then complete the order by receipting for the items, which triggers payment to the vendor within 24 hours.

"The ECAT system also interfaces with the Defense Medical Logistics Standard Support System, giving DOD users seamless access to the available items," Herman said.

In the past, medical treatment facilities had to purchase orthopedic kits or components on an ad hoc basis, using government credit cards or local purchase capabilities.

"While effective, these manual acquisition methods are relatively labor intensive and often don't achieve

the pricing discounts afforded to e-commerce transactions," Herman said.

ECAT ordering also standardizes the process for vendors, who otherwise work with the various acquisition activities of the military services. It also enables DLA to better track past demand, which is useful when negotiating prices with manufacturers.

ECAT establishes ceiling prices for orthopedic products. If the order is more than \$150,000, it's flagged for the special attention of DLA contracting officials who attempt to negotiate lower prices for large purchases.

"Additionally, customers making bulk purchases less than the \$150,000 threshold are free to contact the DLA ECAT contracting staff and request that they negotiate a lower delivered price with the vendor based on the size of the order," Herman said.

DLA continues to implement acquisition strategies to serve customers more efficiently and at a reduced cost. DLA has been working with DHA since it was established in October 2013, and will continue to provide the best possible medical support to the warfighter and other beneficiaries.

"Having one major partner [DHA] with the power to make choices for all of services is enabling us to speed up the coordination process and deliver new products and services faster and more efficiently than in the past," Buchwald said. **LS**



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